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January 25, 2019

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk / Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

Re: Duke Energy Carolinas, LLC's Request to Remove Second Meter Requirement
in Renewable Net Metering Tariff

Dear Ms. Boyd:

By Order No. 2018-456 issued June 28, 2018 in Docket No. 2018-1-E, the Public Service Commission of South Carolina (the "Commission") approved Duke Energy Progress, LLC's ("DEP") request to eliminate the requirement in its Renewable Net Metering tariff to install a second revenue-grade meter on net metering customers' premises. DEP had made this request because a sufficient number of second meters had been installed to allow DEP to study the impacts of net energy metering on its distribution system.¹

Duke Energy Carolinas, LLC (the "Company") now makes the same request: that it be permitted to eliminate the requirement in its Renewable Net Metering tariff to install a second revenue-grade meter on net metering customers' premises. A sufficient number of second meters has been installed to achieve the original objective of allowing the Company to study the impacts of net energy metering on its distribution system, and removing this requirement from the tariff will result in customer savings on the installed cost of their project.

The proposed tariff revisions are shown in redline in Exhibit A, which is attached hereto. Please feel free to contact me should you have any questions or concerns.

Kind regards,

Sam Wellborn

SJW:tch

Enclosure

cc w/enc: Jeffrey M. Nelson, ORS Chief Legal Counsel (via email)
Heather Shirley Smith, Deputy General Counsel (via email)
Rebecca J. Dulin, Senior Counsel (via email)

¹ See Corrected Direct Testimony of George Brown at 9, Docket No. 2018-1-E, filed June 14, 2018.

RIDER RNM (SC)
RENEWABLE NET METERINGAVAILABILITY

Available to residential and nonresidential Customers receiving concurrent service from the Company, on a metered rate schedule, except as indicated under General Provisions. The renewable net energy metered (NEM) generation, which includes a solar photovoltaic; solar thermal; wind powered; hydroelectric; geothermal; tidal or wave energy; recycling resource; hydrogen fueled or combined heat and power derived from renewable resources; or biomass fueled generation source of energy, is installed on the Customer's side of the delivery point, for the Customer's own use, interconnected with and operated in parallel with the Company's system. The generation must be located at a single premise owned, operated, leased or otherwise controlled by the Customer. The system may either be owned by the Customer or by a lessor and leased to the Customer.

Service under this Rider is closed to new participants on and after March 16, 2019. Customers requesting NEM service on and after March 16, 2019, will receive service in accordance with the NEM tariff in effect at that time. This Rider shall expire and no longer be available for NEM service on and after January 1, 2026.

GENERAL PROVISIONS

1. To qualify for service under this Rider, the Customer must comply with all applicable interconnection standards and must provide, in writing, the Nameplate Capacity of the Customer's installed renewable generation system. Any subsequent change to the Nameplate Capacity must be provided by the Customer to the Company in writing by no later than 60 days following the change.
2. To qualify for service under this Rider, a residential Customer may be served on an approved residential rate schedule, but may not be served under Schedule WC or Rider NM. The Nameplate Capacity of Customer's installed generation system and equipment must not exceed 20 kW AC.
3. To qualify for service under this Rider, a nonresidential Customer may be served on an approved general service or industrial rate schedule, but may not be served on Schedules TS, BC, HP, PG, MP or Rider NM. The Nameplate Capacity of Customer's installed renewable generation system and equipment must not exceed the lesser of 1,000 kW AC or 100% of the Customer's contract demand which shall approximate the Customer's maximum expected demand.
4. If the Customer is not the owner of the premises receiving electric service from the Company, the Company shall have the right to require that the owner of the premises give satisfactory written approval of the Customer's request for service under this Rider.
5. All environmental attributes, including but not limited to "renewable energy certificates" (RECs), "renewable energy credits" or "green tags", associated with the generation system shall be conveyed to the Company until billing of a Distributed Energy Resource Program Rider DERP Charge is discontinued on all customer bills. The Customer certifies that the environmental attributes have not, and will not, be remarketed or otherwise resold for any purpose, including another distributed energy resource standard or voluntary purchase of renewable energy certificates in South Carolina or in any other state or country for the Contract Period and any successive contract periods thereto.
6. If the electricity supplied to the Customer by the Company exceeds the electricity delivered to the grid by the customer-generator during a monthly billing period, the customer-generator shall be billed for the net electricity in kilowatt hours (kWh) supplied by the Company plus any demand or other charges under the applicable rate schedule or riders. If the electricity delivered to the grid by the customer-generator exceeds the electricity in kWh supplied by the utility during a monthly billing period, the Customer-Generator shall be credited for the excess kWh generated during that billing period.
7. Electricity delivered to the grid by the Customer's renewable generation that exceeds the electricity delivered by the Company is defined as Excess Energy. When used in conjunction with a time of use schedule, the TOU periods shall be specified in the applicable schedule and any Excess Energy shall apply first with the Excess Energy generated On-Peak kWh offsetting On-peak usage and then offsetting Off-peak usage. Any excess Off-Peak kWh shall only apply against Off-peak kWh usage. Any Excess Energy not used in the current month to offset usage shall carry forward to the next billing month.

RIDER RNM (SC)
RENEWABLE NET METERING

8. Excess Energy shall be used to reduce electricity delivered and billed by the Company during the current or a future month, except that for the March billing period any carry-over shall be compensated as described in the RATE paragraph below.
9. In the event the Company determines that it is necessary to increase the capacity of facilities beyond those required to serve the Customer's electrical requirement or to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, the Customer shall pay the estimated cost of the required transformer or other equipment above the estimated cost which Company would otherwise have normally incurred to serve the Customer's electrical requirement, in advance of receiving service under this Rider.
10. The rates set forth herein are subject to Commission Order No. 2015-194, issued in Docket No. 2014-246-E pursuant to the terms of S.C. Code § 58-40-20(F)(4). Eligibility for this rate will terminate as set forth in that Order, and otherwise as specified above. The value of NEM generation eligible for this Rider shall be computed using the methodology contained in Commission Order No. 2015-194, in Docket No. 2014-246-E, and shall be updated annually by the Company. The value of NEM generation for 2018 is \$0.05323 per kWh for Schedules RS, RE, ES, RT and SGS and \$0.05310 for all other schedules.

RATE

All provisions of the applicable schedule and other applicable riders will apply to service supplied under this Rider, except as modified herein. For any bill month during which the Energy Charges are a net credit, the respective Energy Charges for the month shall be zero. Credits shall not offset the Basic Facilities Charge or the Demand Charge (if applicable). In addition to all charges in the applicable rate schedule for the Customer's net electrical usage, the following credit may be applicable annually:

Annual Credit for Excess Generation

If the Customer has Excess Energy after offsetting usage as of the date of the March billing, the Company shall pay the Customer for the amount of the accumulated Excess Energy times a rate of \$0.0432 per kWh, after which the amount of Excess Energy shall be set to zero.

MINIMUM BILL

The monthly minimum bill for customers receiving service under this Rider shall be no less than Basic Facilities Charge from the applicable rate schedule and riders plus, if applicable, any of the following Charges: the Demand Charge, the Economy Demand Charge, Excess Demand Charge and the Extra Facilities Charge.

METERING REQUIREMENTS

~~The Customer must provide access and designate a location on the load side of the billing meter for the Company to furnish, install, own and maintain metering with 30 minute interval capability to record 100% of the Customer's generator output. At the Company's sole option, the generator meter requirement may be waived for customers served under a net metering rider on or before December 31, 2015.~~ The Company will ~~also~~ furnish, install, own and maintain a billing meter to measure the kWh delivered by the Company to the Customer, and to measure the net kWh purchased by the Customer or delivered to the Company. For renewable generation capacity of 20 kW AC or less, the billing meter will be a single, bi-directional meter which records independently the net flow of electricity in each direction through the meter, unless the Customer's overall electrical requirement merits a different meter. For larger renewable generation capacities, the Company may elect to require two meters with 30-minute interval capabilities to separately record the Customer's electrical consumption and the total generator output, which will be electronically netted for billing. The Customer grants the Company the right to install, operate, and monitor special equipment to measure the Customer's generating system output, or any part thereof, and to obtain any other data necessary to determine the operating characteristics and effects of the installation. All metering shall be at a location that is readily accessible by the Company.

RIDER RNM (SC)
RENEWABLE NET METERINGSAFETY, INTERCONNECTION AND INSPECTION REQUIREMENTS

This Rider is only applicable for installed renewable generation systems and equipment that complies with and meets all safety, performance, interconnection, and reliability standards established by the Commission, the National Electric Code, the National Electrical Safety Code, the Institute of Electrical and electronic Engineers, Underwriter's Laboratories, the Federal Energy Regulatory Commission and any local governing authorities. The Customer must comply with all liability insurance requirements of the Interconnection Standard.

POWER FACTOR

The Customer's renewable generation must be operated to maintain a 100% power factor, unless otherwise specified by Company. When the average monthly power factor of the power supplied by the Customer to the Company is other than 100%, the Company may correct the energy in kWh, as appropriate. The Company reserves the right to install facilities necessary for the measurement of power factor. The Company will not install such equipment, nor make a power factor correction if the renewable generation system is less than 20 kW and uses an inverter.

CONTRACT PERIOD

The Customer shall enter into a contract for service under this Rider for a minimum original term of one (1) year, and the contract shall automatically renew thereafter, except that either party may terminate the contract after one year by giving at least sixty (60) days prior notice of such termination in writing.

The Company reserves the right to terminate the Customer's contract under this Rider at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Rider, or operates the renewable generation system and equipment in a manner which is detrimental to the Company or any of its customers. In the event of early termination of a contract under this Rider, the Customer will be required to pay the Company for the costs due to such early termination, in accordance with the Company's South Carolina Service Regulations.